

**UNITED STATES OF AMERICA
BEFORE FEDERAL TRADE COMMISSION**

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)

) **In the Matter of**)

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) **PHYSICIAN NETWORK**)

) **CONSULTING, L.L.C.,**)

) **a limited liability company,**)

))

) **MICHAEL J. TAYLOR,**)

) **individually,**)

))

) **PROFESSIONAL ORTHOPEDIC)**

) **SERVICES, INC.,**)

) **a corporation,**)

) **File No. 0210178**)

) **THE BONE AND JOINT CLINIC OF**)

) **BATON ROUGE, INC.,**)

) **a corporation,**)

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) **BATON ROUGE ORTHOPAEDIC**)

) **CLINIC, L.L.C.,**)

) **a limited liability company,**)

))

) **and**)

))

) **ORTHOPAEDIC SURGERY**)

) **ASSOCIATES OF BATON)**

) **ROUGE, L.L.C.,**)

) **a limited liability company.**)

AGREEMENT CONTAINING CONSENT ORDER TO CEASE AND DESIST

The Federal Trade Commission (“Commission”), having initiated an investigation of certain acts and practices of Physician Network Consulting, L.L.C. (“Physician Network Consulting”), Michael J. Taylor, Professional Orthopedic Services, Inc. (“Professional Orthopedic Services”), The Bone and Joint Clinic of Baton Rouge, Inc. (“The Bone and Joint Clinic”), Baton Rouge Orthopaedic Clinic, L.L.C. (“Baton Rouge Orthopaedic Clinic”), and Orthopaedic Surgery Associates of Baton

Rouge, L.L.C. (“Orthopaedic Surgery Associates”), hereinafter collectively referred to as “Proposed Respondents,” and it now appearing that Proposed Respondents are willing to enter into an Agreement Containing Consent Order to Cease and Desist (“Consent Agreement”) from certain acts and practices, and providing for other relief,

IT IS HEREBY AGREED by and between Proposed Respondents and their attorneys, and counsel for the Commission that:

1. Proposed Respondent Physician Network Consulting is a for-profit limited liability company, organized, existing, and doing business under and by virtue of the laws of the State of Louisiana, with its principal address at 3900 N. Causeway Boulevard, Suite 1470, Metairie, LA 70002.
2. Proposed Respondent Michael J. Taylor is the founder and managing director of Physician Network Consulting. His principal address is located at 3900 N. Causeway Boulevard, Suite 1470, Metairie, LA 70002.
3. Proposed Respondent Professional Orthopedic Services is a for-profit corporation, organized, existing, and doing business under and by virtue of the laws of the State of Louisiana, with its principal address at 5408 Flanders Drive, Baton Rouge, LA 70808.
4. Proposed Respondent The Bone and Joint Clinic is a for-profit corporation, organized, existing, and doing business under and by virtue of the laws of the State of Louisiana, with its principal address at 7777 Hennessy Boulevard, Suite 7000, Baton Rouge, LA 70808.
5. Proposed Respondent Baton Rouge Orthopaedic Clinic is a for-profit limited liability company, organized, existing, and doing business under and by virtue of the laws of the State of Louisiana, with its principal address at 7443 Picardy Avenue, Baton Rouge, LA 70808.
6. Proposed Respondent Orthopaedic Surgery Associates is a for-profit limited liability company, organized, existing, and doing business under and by virtue of the laws of the State of Louisiana, with its principal address at 5408 Flanders Drive, Baton Rouge, LA 70808. Proposed Respondent Orthopaedic Surgery Associates includes, but is not limited to, Kenneth C. Cranor, M.D., Samuel C. Irwin, M.D., and Charles S. Walker, M.D. During the period of illegal conduct described in the draft of Complaint, Orthopaedic Surgery Associates was a partnership among these three physicians.
7. Proposed Respondents admit all the jurisdictional facts set forth in the draft of Complaint here attached.
8. Proposed Respondents waive:

- a. any further procedural steps;
 - b. the requirement that the Commission's Decision and Order, attached hereto and made a part hereof, contain a statement of findings of fact and conclusions of law;
 - c. all rights to seek judicial review or otherwise to challenge or contest the validity of the Decision and Order entered pursuant to this Consent Agreement; and
 - d. any claim under the Equal Access to Justice Act.
9. This Consent Agreement shall not become part of the public record of the proceeding unless and until it is accepted by the Commission. If this Consent Agreement is accepted by the Commission it, together with the draft of Complaint contemplated thereby, will be placed on the public record for a period of thirty (30) days and information with respect thereto publicly released. The Commission thereafter may either withdraw its acceptance of this Consent Agreement and so notify the Proposed Respondents, in which event it will take such action as it may consider appropriate, or issue and serve its Complaint (in such form as the circumstances may require) and Decision and Order, in disposition of the proceeding.
10. This Consent Agreement is for settlement purposes only and does not constitute an admission by Proposed Respondents that the law has been violated as alleged in the draft of Complaint here attached, or that the facts as alleged in the draft of Complaint, other than jurisdictional facts, are true.
11. This Consent Agreement contemplates that, if it is accepted by the Commission, and if such acceptance is not subsequently withdrawn by the Commission pursuant to the provisions of Commission Rule 2.34, 16 C.F.R. § 2.34, the Commission may, without further notice to Proposed Respondents, (1) issue its Complaint corresponding in form and substance with the draft of Complaint here attached and the Decision and Order in disposition of the proceeding and (2) make information public with respect thereto. When so entered, the Decision and Order shall have the same force and effect, and may be altered, modified, or set aside in the same manner and within the same time provided by statute for other orders. The Decision and Order shall become final upon service. Delivery of the Complaint and the Decision and Order to Proposed Respondents by any means specified in Commission Rule 4.4(a), 16 C.F.R. § 4.4(a), shall constitute service. Proposed Respondents waive any right they may have to any other manner of service. The Complaint may be used in construing the terms of the Decision and Order, and no agreement, understanding, representation, or interpretation not contained in the Decision and Order or the Consent Agreement may be used to vary or contradict the terms of the Decision and Order.

12. Proposed Respondents have read the draft of Complaint and the Decision and Order contemplated hereby. By signing this Consent Agreement, the Proposed Respondents represent that the full relief contemplated by this Consent Agreement can be accomplished. Proposed Respondents understand that once the Decision and Order has been issued, they will be required to file one or more compliance reports showing that they have fully complied with the Decision and Order. Proposed Respondents agree to comply with Paragraph II of the draft Decision and Order from the date they sign this Consent Agreement. Proposed Respondents further understand that they may be liable for civil penalties in the amount provided by law for each violation of the Decision and Order after the Decision and Order becomes final.

**PHYSICIAN NETWORK CONSULTING,
L.L.C.,**
a limited liability company.

By:

Michael J. Taylor, individually and as Managing
Director of Physician Network Consulting,
L.L.C.

Signed this ___ day of _____, 2003

Jerry W. Sullivan, Esq., Counsel for Physician
Network Consulting, L.L.C., and Michael J.
Taylor

**ORTHOPAEDIC SURGERY
ASSOCIATES OF
BATON ROUGE, L.L.C.,**
a limited liability company.

By:

Kenneth C. Cranor, M.D., individually and as
Duly Authorized Agent of Orthopaedic Surgery
Associates of Baton Rouge, L.L.C.

Signed this ___ day of _____, 2003

**PROFESSIONAL ORTHOPEDIC
SERVICES, INC.,**
a corporation.

By:

Kenneth C. Cranor, M.D., as President of
Professional Orthopedic Services, Inc.

Signed this ___ day of _____, 2003

**THE BONE AND JOINT CLINIC OF
BATON ROUGE, INC.,**
a corporation.

By:

Gerard L. Murtagh, M.D., as President of The
Bone and Joint Clinic of Baton Rouge, Inc.

Signed this ___ day of _____, 2003

**BATON ROUGE ORTHOPAEDIC
CLINIC, L.L.C.,**
a limited liability company.

By:

A. Brent Bankston, M.D., as President of
Baton Rouge Orthopaedic Clinic, L.L.C.

Signed this ___ day of _____, 2003

SAMUEL C. IRWIN, M.D.

Samuel C. Irwin, M.D.

Signed this ____ day of _____, 2003

CHARLES S. WALKER, M.D.

Charles. S. Walker, M.D.

Signed this ____ day of _____, 2003

John J. Miles, Esq., Counsel for
Professional Orthopedic Services, Inc., The
Bone and Joint Clinic of Baton Rouge, Inc.,
Baton Rouge Orthopaedic Clinic, L.L.C.,
Orthopaedic Surgery Associates of Baton
Rouge, L.L.C., Kenneth C. Cranor, M.D.,
Samuel C. Irwin, M.D., and Charles S.
Walker, M.D.

FEDERAL TRADE COMMISSION

By:

Linda Blumenreich
Attorney

Karan Singh
Attorney

APPROVED:

David R. Pender
Deputy Assistant Director
Federal Trade Commission

Jeffrey W. Brennan
Assistant Director
Federal Trade Commission

Joseph J. Simons

Director
Bureau of Competition
Federal Trade Commission